

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 JUNE 2023

24 JULY 2023

ASX CODE: RWD

DIRECTORS

Colin McCavana
Chairman

Michael Ruane
Executive

Rod Della Vedova
Non-Executive

MANAGEMENT

Lorry Hughes
CEO

Bianca Taveira
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Highlights

- Reward is on track to comply with the PCT Patent Application for its new SOP processing technology and will submit the final application prior to 11 August 2023
- An independent engineering scoping study on the recovery of high-purity SOP from seawater and other high-sulphate brines is due for completion in the September Quarter
- New exploration licence applied for on the coast ~33km north of Carnarvon in Western Australia
- Engagement of specialist corporate advisor Montpellier Advisory FZE to assist with strategic discussions with solar salt, fertilizer, seawater desalination and finance companies from within the Middle Eastern Region.

PERTH, Western Australia (24 July, 2023) - Reward Minerals Limited (ASX: RWD) ("Reward" or the "Company") is pleased to provide its Activities Report for the June Quarter 2023.

Research and Development

On 11 August 2022¹, the Company filed an Australian Provisional Patent Application ("Patent Application") to protect Intellectual Property related to its newly discovered processing technology ("Reward Process") for the recovery of high-purity Potassium Sulphate ("K₂SO₄" or "SOP") from seawater and other high-sulphate brines.

Multiple technical activities have been completed over the quarter to provide essential data supporting the Patent Application including;

- Inclusion of additional data to expand the scope of the Reward Process including Potassium recoveries from a wide range of brine compositions;
- Confirmation of the variability of Potassium recoveries versus reaction temperatures in the Syngenite formation and leaching steps in the Reward Process;
- Improvement in Potassium extraction from various feed brine compositions by variation in Gypsum to brine ratios in the Syngenite formation reaction; and
- High-purity SOP recovery from Syngenite leach liquours.

A final laboratory testwork program was completed in July which provided the data to finalise the Patent Application. The Company remains on track to comply with the PCT Patent Application and will submit the final application prior to 11 August 2023.

¹ Refer ASX announcement dated 23 August 2022 & 11 July 2023.
g/l = grams/litre, K = Potassium, Na = Sodium, Ca = Calcium, Cl = Chloride, SO₄ = Sulphate, TDS = Total Dissolved Salts, SG = Specific Gravity.

Engineering Scoping Study (“ESS”)

An ESS utilising the Reward Process to recover high-purity SOP from seawater and other high sulphate brines has been underway since May 2023¹ and is due for completion in July 2023. It is being completed by an independent global engineering firm using their own and Reward’s development data.

A summary of the ESS work streams completed to date include;

- Preliminary mass and energy balance;
- Observations and review of evaporation and filtration testwork conducted by Reward to verify robustness of key processing steps;
- Review of entire flowsheet to identify potential fatal flaws in the Reward Process for production of SOP.

Final activities to complete the ESS include further review of;

- Utilities and reagent consumption requirements;
- Capital and operating cost estimates (-30% - +40%) for a 100,000 tpa SOP production facility based on seawater bitterns feed source; and
- Review of all findings and recommendations from the independent global engineering firm.

Carnarvon Potash Project

On 23 November 2022, Holocene Pty Ltd (a wholly owned subsidiary of Reward) lodged a first-in-time application for a single new exploration licence (E09/2763) and has been working through standard objections to grant. If granted, the tenement will be known as the Carnarvon Potash project.

The ~219km² tenement has the potential to contain concentrated seawater derived brines at shallow depths below surface. This will be the focus of initial exploration activity when granted.

Kumpupintil Lake (“KP Lake”) Potash Project

Jamukurnu-Yapalikurnu Aboriginal Corporation (“JYAC”) (the Martu land council) and Martu Traditional Owners (“Martu”) have been undertaking on-country work in preparation for the Reward-JYAC Cultural Heritage Management Plan (“CHMP”) required by the project Indigenous Land Use Agreement (“ILUA”).

This work included Martu considering the cultural landscape characteristics in the project area and adjoining country during two excursions completed in the September Quarter 2022. A third excursion planned for the December Quarter 2022 was postponed due to unforeseen circumstances and is now planned to occur in the September Quarter 2023.

The Company looks forward to completing the CHMP in preparation for the development of the KP Lake Project. The ILUA already in place between Reward and JYAC includes opportunities for Martu employment and business development when operations commence.

McKay Range Farm-In and Joint Venture

Subsequent to the end of the quarter, FMG Resources Pty Ltd, a wholly owned subsidiary of Fortescue Metals Group Ltd (“Fortescue”) provided Reward with formal notice of its intention to withdraw from the McKay Range Farm-in and Joint Venture Agreement (“FJVA”)².

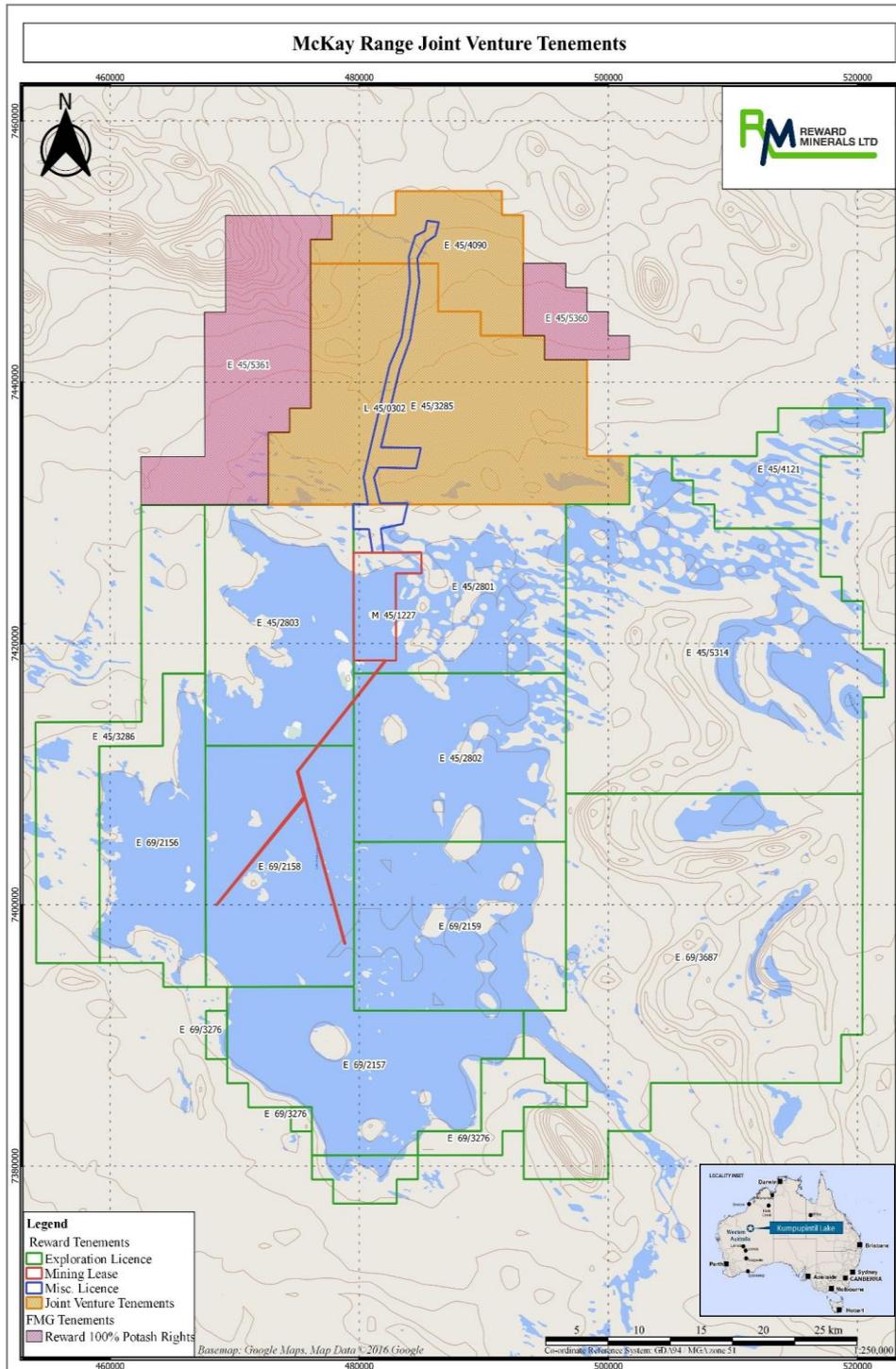
The FJVA tenements include E45/3285 and E45/4090 owned by Holocene Pty Ltd, located in the northern part of Reward’s Kumpupintil Lake Potash Project (Figure 1). Upon final withdrawal by Fortescue on 30 July 2023, these tenements will be retained by Reward on a 100% unencumbered basis.

¹ Refer ASX announcement dated 6 April & 11 July 2023, ² Refer ASX announcement dated 19 November 2019 & 11 July 2023.

Late in 2022¹, Fortescue completed a maiden reverse circulation (“RC”) drilling program comprising seven holes for 1,338m. Four of the seven holes intersected anomalous to significant copper mineralisation including;

- 5m @ 0.15% Cu from 212m (Hole MO0004) including;
 - 1m @ 0.52% Cu from 216m; and
- 2m @ 0.13% Cu from 202m (Hole MO0005)

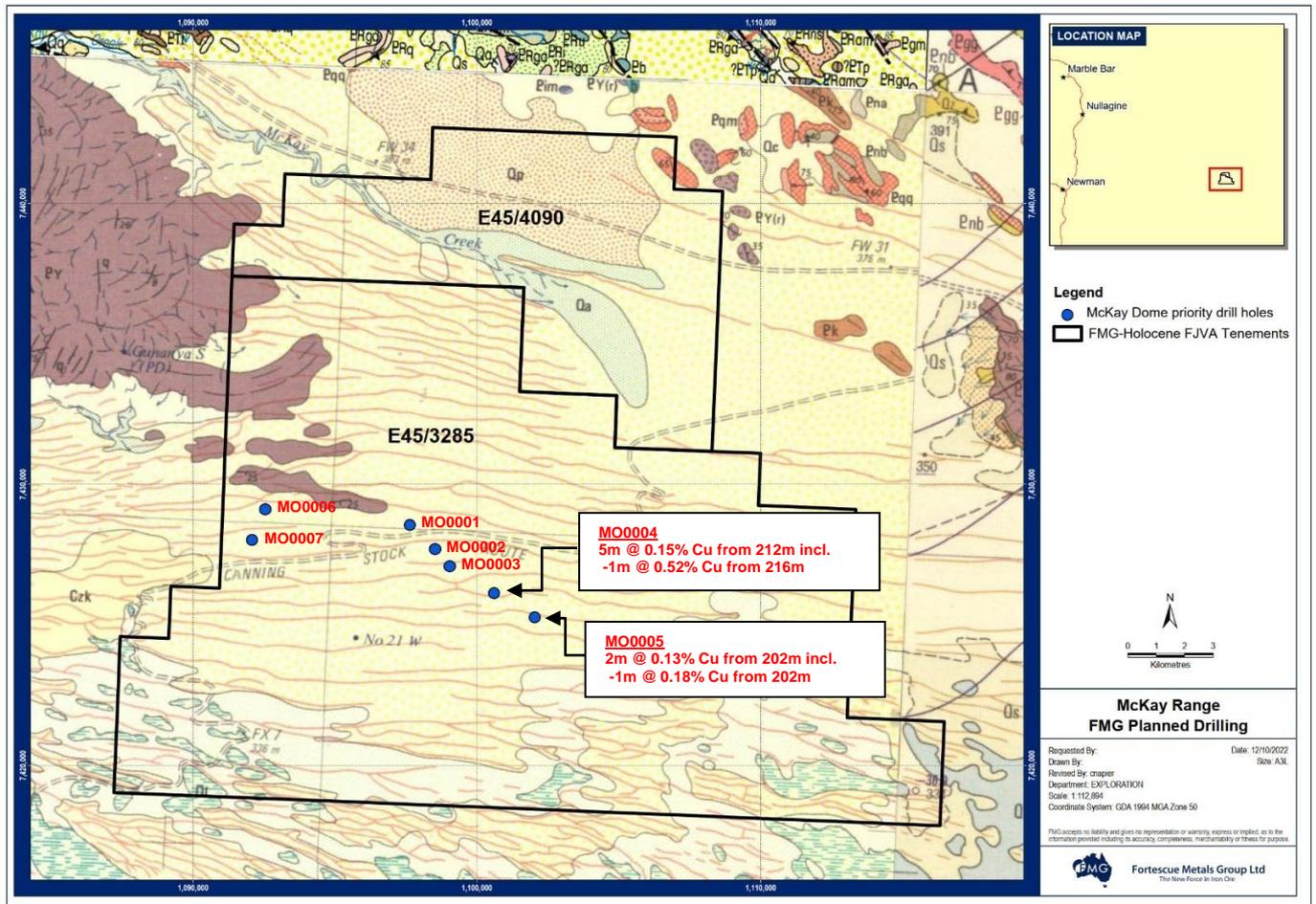
Figure 1 - Map of the MacKay Range Farm-In Joint Venture and Potash Rights Tenements.



¹ Refer ASX announcement dated 24 April 2023.

The holes were drilled to test the stratigraphy to the south of the McKay Dome to determine if a sedimentary-hosted copper mineral system might exist within a regionally reduced unit. (Figure 2). The targeted unit was identified by Fortescue using geological, geochemical and geophysical data acquired since the joint venture began.

Figure 2 – Map of RC drilling locations on Reward Exploration Licence 45/3285



The drilling completed by Fortescue was very first pass. Reward remains encouraged by the anomalous copper mineralisation intersected on such a broad spacing. Only two oblique lines of drilling were completed, located approximately six kilometres apart with holes along the lines spaced between one and two kilometres apart.

Once all data is collated and reviewed, we will determine and rank priority targets for potential follow-up drilling by Reward.

Corporate

Over the last year the Company’s rapid development of the Reward Process via the advancement of the PCT Patent Application and the soon to be completed ESS has resulted in a requirement to review its corporate strategy. The Company remains bullish on the long term outlook for SOP demand and reaffirms its aspirations to become a globally relevant low-cost high quality producer.

Given the Reward Process is technology directly applicable to the recovery of SOP from seawater and other high-sulphate brines, the Company sees economic benefits in pursuing new opportunities as part of existing solar salt operations. Most solar salt operations worldwide utilise seawater as their primary brine supply and are

located in coastal areas which are usually ideal for reduced costs to transport salt and other products to export markets.

During the quarter, Reward continued to have dialogue and share data under confidentiality agreements with several companies involved in the solar salt, fertilizer and seawater desalination industries to discuss the application of Reward's technology for SOP production via joint ventures.

To assist with discussions within the Middle East Region, in particular the Gulf Cooperation Council ("GCC" includes Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Bahrain, and Oman), specialist corporate advisor Montpellier Advisory FZE has been engaged on an ongoing retainer basis.

Further, Reward has been undertaking confidential non-binding discussions with a number of potential project and financial partners in the GCC. The discussions are consistent with the Company's strategy of looking for opportunities to add value and leverage off its new technology. Reward will keep the market informed in the event of a material development from any ongoing discussions.

Expenditure by Reward during the June Quarter was approximately \$210,000 as disclosed in item 1.2(a) of the Cashflow Report because of low-level activity at the Kumpupintil Lake Project and tenement holding costs.

Available cash at the end of the period was approximately \$2.45 million.

In accordance with ASX Listing Rule 5.3.5, during the quarter a total of \$17,000 was paid to related parties or their associates of the Company relating to non-executive Director fees.

Issued Share Capital as at 30 June 2023

ASX Code	Security Description	Number of Securities
RWD	Fully Paid Ordinary Shares	227,853,138
RWDO	Listed Options \$0.20 expiring 31 March 2025	18,275,275
RWDAU	Unlisted Options \$0.20 expiring 30 September 2023	15,853,260
RWDAV	Unlisted Options \$0.198 expiring 14 September 2025	5,000,000
RWDAX	Unlisted Options \$0.20 expiring 14 September 2025	5,250,000

Next Steps

Over the next two quarters Reward will focus of the following key activities;

- Finalising the Engineering Scoping Study using the Reward Process to recover high-purity SOP from seawater and other high sulphate brines
- Finalisation of the international patent for the Reward Process
- Grant of the Carnarvon Potash Project tenure and design of initial work programs
- Engagement with solar salt, fertilizer and seawater desalination companies worldwide to discuss the application of Reward's technology to potential and proposed SOP developments for possible joint venture participation
- Advancement of the Cultural Heritage Management Plan for the KP Project.

Authorised by the Board of Reward.

For further information please contact:

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CEO

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About Reward

Reward is an ASX-listed advanced-stage potassium sulphate (“SOP”) exploration and development company. Reward's flagship asset is its 100%-owned Kumpupintil Lake Potash Project, located east of Newman in north-western Western Australia. The Project hosts Australia's largest high-grade brine SOP deposit in a region with the highest evaporation rate.

Reward completed a detailed, conservative Pre-Feasibility Study which was updated with improved logistics in July 2018. An Indigenous Land Use Agreement (“ILUA”) is in place with JYAC, the prescribed body corporate for Martu, the traditional owners of the land upon which Kumpupintil Lake is situated.

Key environmental approvals are in place and development can commence subject to finance, updated feasibility studies and secondary regulatory approvals. The Company is currently progressing a Cultural Heritage Management Plan required by the ILUA to manage considerations related to cultural landscape characteristics in the project area.

Reward is also the 100% owner and developer of new processing technology for recovery of high-purity SOP from seawater and other high sulphate brines (“Reward Process”).

The Company submitted an Australian Provisional Patent Application (Application Number - 2022902277) for the Reward Process on 11 August 2022 and intends to submit additional technical information prior to 11 August 2023 to complete the international application.

Forward-Looking Statements

This document may contain certain “forward-looking statements”. When used in this document, the words such as “could”, “plan”, “estimate”, “expect”, “intend”, “may”, “potential”, “should”, and similar expressions are forward-looking statements. Although Reward believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

For a more detailed discussion of such risks and uncertainties, see Reward's other ASX Releases, Presentations and Annual Reports. Readers should not place undue reliance on forward-looking statements. Reward does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this ASX Release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Exploration Results – Competent Persons Statement

The information in this document that relates to Exploration Results, geology and data compilation is based on information compiled by Mr Lorry Hughes, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Hughes is the CEO of the Company, is a full-time employee and holds shares and options in the Company.

Mr Hughes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Hughes consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

Metallurgical Results – Competent Persons Statement

The information in this report that relates to Brine metallurgical testwork and Analyses is based on information compiled by Mr Warren Hinchliffe who is a Member of The Australian Institute of Mining and Metallurgy. Mr Hinchliffe is a consultant to Reward Minerals Ltd. Mr Hinchliffe has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Hinchliffe consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Tenement Holdings as at 30 June 2023

Tenement	Status	RWD Ownership at Quarter End	% Interest Acquired During the Quarter	% Interest Disposed During the Quarter
Kumpupintil Lake, Western Australia				
E45/2801	Granted	100%	-	-
E45/2802	Granted	100%	-	-
E45/2803	Granted	100%	-	-
E45/3285	Granted	100%	-	-
E45/3286	Granted	100%	-	-
E45/4090	Granted	100%	-	-
E45/4121	Granted	100%	-	-
E69/2156	Granted	100%	-	-
E69/2157	Granted	100%	-	-
E69/2158	Granted	100%	-	-
E69/2159	Granted	100%	-	-
E69/3276	Granted	100%	-	-
L45/302	Granted	100%	-	-
M45/1227	Granted	100%	-	-
E45/5314	Granted	100%	-	-
E69/3687	-	-	-	100%
Dora, Western Australia				
E45/4321	Pending	100%	-	-
E45/4488	Pending	100%	-	-
Carnarvon, Western Australia				
E09/2763	Pending	100%	-	-

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

REWARD MINERALS LTD

ABN

50 009 173 602

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(210)	(592)
(b) development	-	-
(c) production	-	-
(d) staff costs	(18)	(710)
(e) administration and corporate costs	(194)	(293)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	7	11
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – net GST (paid) / refunded	66	(23)
1.9 Net cash from / (used in) operating activities	(349)	(1,607)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	238	2,604
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1)	(250)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	237	2,354

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,560	1,701
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(349)	(1,607)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	237	2,354

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,448	2,448

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,448	2,560
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,448	2,560

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	17
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	2,800	2,800
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	2,800	2,800
7.5 Unused financing facilities available at quarter end		0
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p>In September 2019, Dr M Ruane, Reward's Executive Director, agreed to loan the Company \$1 million. During the September 2020 quarter, Dr M Ruane agreed to further loan the Company \$300,000. In December 2021, an additional \$1 million was loaned to the Company by Dr M Ruane. During the December 2022 quarter, Dr M Ruane loaned a further \$500,000. The loan is unsecured, on reasonable arm's length terms and attracts interest at 7.5% per annum payable quarterly in arrears. The total facility of \$2.8 million is fully drawn down.</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(349)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(349)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,448
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,448
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	7.0
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 24 July 2023

Authorised by the Board

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.